

Buchanan Ingersoll & Rooney PC

Christopher J. Dalton
973 424 5614
christopher.dalton@bipc.com

550 Broad Street, Suite 810
Newark, NJ 07102-4582
T 973 273 9800
F 973 273 9430

January 10, 2019

Via ECF

Hon. Mark Falk, U.S.M.J.
United States District Court
For The District of New Jersey
50 Walnut Street
Newark, New Jersey 07102

Re: Medicine To Go Pharmacies, Inc. v. Macoven Pharmaceuticals, LLC, et al
Civil Action No. 16-07717
Request to Continue Stay of Implementation of Class Action Settlement

Dear Judge Falk:

This firm represents Defendants Pernix Therapeutics Holdings, Inc. (Pernix) and its wholly-owned subsidiary Macoven Pharmaceuticals, LLC (Macoven) in this matter. I write further to my correspondence of December 10, 2018 (DE 83).

As I previously reported, Pernix remains in a severe liquidity crisis. At this time, Pernix will not be able to implement the settlement. I have advised Class Counsel of the Company's current fiscal situation which, as reflected in its most recent 10-Q filing (November 6, 2018), includes exploration of refinancing, restructuring, or commencement of Chapter 11 proceedings. Further, on October 17, 2018, Pernix was notified that it was out of compliance with Nasdaq's \$15 million Minimum Market Value of Publicly Held Shares (Nasdaq Listing Rule 5450(c)(3)(D)). On October 19, 2018, Pernix was notified that it was out of compliance with Nasdaq's \$1.00 Minimum Bid Price (Nasdaq Listing Rule 5810(c)(3)(A)). Pernix has until mid-April 2019 to rectify these deficiencies. If it fails to do so, its stock will be delisted, which will trigger events of default under various financing agreements.¹ Pernix's ability to meet these demands may be determinative of the Company's ability to meet its obligations in this matter, as well as its continuing viability as a going concern.

¹ Pernix's shares are currently trading at \$0.48.

January 10, 2019

Page - 2 -

Consequently, we ask that the Court continue the stay of implementation of the settlement in this matter through and until March 1, 2019.² At that time, we will again advise the Court of Pernix's fiscal condition.

If this is acceptable, we ask that the court so order.

Respectfully,

s/ Christopher J. Dalton

Christopher J. Dalton

² Pernix has, in the interim, started making deposits to the Qualified Settlement Fund in the amount of \$5,000 per week after January 1, 2019 and will continue such payments as it is financially able to do so.